

AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

The Arizona Office of Tourism (AOT) is gearing up for the launch of our in-state summer campaign, *Value AZ*. This campaign targets Arizona residents directing them to the Web site www.ValueAZ.com, where they can find unique statewide travel packages and deals to enjoy throughout the summer.

Our agency has had great success with Value AZ. In fact, during last year's campaign (May through September) more than 250,000 people visited the www.ValueAZ.com Web site. On average, our travel packages and deals section receives more than 50,000 page visits each month.

However, the success of this campaign depends greatly on the travel packages and deals that can be found on the www.ValueAZ.com Web site. This is where our agency needs your help! We encourage you and your members to partner with area hotels, restaurants and attractions to coordinate exciting travel packages and offer incredible deals for visitors to experience.

Value Arizona will run from May through September. If you want your travel package or deal promoted, this is your chance!

Please join us as we ramp up efforts to motivate residents to discover what's in their own backyard. From the state's natural beauty and outdoor adventures, luxurious resorts and spas to the hiking and biking activities; shopping opportunities; and local cuisines, there is certainly something for everyone to experience!

For more information, please contact Sandy Pederson at 602-364-3698 or via email at spederson@azot.gov.

On a congratulatory note—Rachel Sacco is celebrating her 25th anniversary with the Scottsdale Convention & Visitors Bureau this week! Congratulations Rachel! We look forward to many more years of friendship and partnership ahead.

Have a great week.

Sherry Henry Director, Arizona Office of Tourism

AOT News

Final AOT on the Road Workshop in Holbrook!

AOT will hold its <u>final</u> 2011 AOT on the Road workshop in Holbrook, **Thursday, March 31**. Don't miss this chance to participate! AOT on the Road is an informative program that provides information on what our agency has to offer your community, such as technical assistance, marketing techniques, trade & media partnerships and research information. Through these useful sessions you'll be able to meet one-on-one with AOT staff to discuss tourism promotion and development, as well as to share your region's successes with us.

The workshop is *complimentary* and information is below.

Holbrook Public Library

403 Park Street Holbrook, AZ 86025

The complimentary workshop will be held from 8:00 a.m. – 12:00 p.m., with registration from 7:30–8:00 a.m.

We hope you take advantage of this great opportunity to participate with our agency and meet the AOT team!

To R.S.V.P., please submit your name, the name of your organization and your contact information to <u>ATURSVP@azot.gov</u>.

New Updates to AOT's Research Web site!

The following items have been updated in the Research and Statistics section of AOT's business-to-business Web site www.azot.gov.

- Gross Sales & Tourism Taxes January 2011
- National, Regional, Arizona Lodging February 2011
- County Lodging February 2011

For additional information or questions, please contact Melissa Elkins, Research Manager, at 602-364-3716 or via e-mail at melkins@azot.gov.

AOT Now Accepting Nominations for Governor's Tourism Awards!

The Arizona Office of Tourism and industry partners are busy coordinating plans for the next annual Governor's Conference on Tourism, July 13-15, at the Doubletree Paradise Valley Resort, Scottsdale. The conference is the premier event for members of the travel industry to participate in dynamic work sessions and listen to informative guest speakers.

In addition to the conference, AOT coordinates the <u>Governor's Tourism Awards</u>, honoring individuals and organizations that have contributed noteworthy achievements over the past year to the betterment of the tourism industry. These award recipients are excellent examples of leadership, commitment and teamwork that have helped make the Grand Canyon State a premier travel destination.

AOT invites you to review the 2011 award <u>categories and guidelines</u> and submit nominations of individuals or organizations that have made a significant contribution to the tourism industry. The winners will be awarded at the Governor's Tourism Awards Luncheon on Thursday, July 14. All submissions must be received by **April 22, 2011**. Look for future editions of *AOT in Action* for Governor's Conference on Tourism registration information!

Join Us for the Arizona Tourism University Workshop: The Arizona Centennial.

The Arizona Office of Tourism is proud to present the next **Arizona Tourism University** workshop series: The Arizona Centennial. Karen Churchard, executive director of the Arizona Centennial Commission and the Arizona 2012 Centennial Foundation, will present information on how your community can get involved in this once in a lifetime event!

Be sure to mark **April 15** or **April 27** off your calendars and join us for the Arizona Centennial workshops!

These Arizona Tourism University workshops are complimentary!

Sign up today by sending your RSVP to ATURSVP@azot.gov.

The Arizona Centennial is a complimentary workshop and will be held in the following locations.

April 15

La Posada Retirement Community La Perla Apartments 350 E. Morningside Rd. Green Valley, AZ 85614

April 27

10:00 a.m. – 12:00 p.m. Show Low City Hall 180 North 9th Street, Show Low, AZ 85901

Upcoming Events & Activities

New York Media Mission

Date: April 2011

Location: New York City, NY

Old, Older, Oldest AAA/CAA FAM Tour

Date: April 27 – May 1

Location: Tempe, Moenkopi, Holbrook, and Winslow, AZ

Mexico Mini Mission

Dates: May 3 – 4

Location: Guadalajara, Jalisco, Mexico

Industry News

Forks & Corks Culinary Showcase

The 8th Annual Forks & Corks food and wine showcase is right around the corner! One of the state's most popular and anticipated culinary festivals is in a new and hip location, but still offers 30 Chefs, Wines and Beers in a fun and festive atmosphere. Purchase your tickets today to enjoy an evening of culinary delights that also supports our Tourism Industry! The event will be held April 7, 2011 at CityScape – Downtown Phoenix.

Japan Tragedy has Unprecedented Travel Impact

The devastating 8.9 earthquake that hit Japan was a tragic event most felt in that stricken country but it also had travel implications that are across the board in the entire pacific market.

Travel is way down in Japan, of course, but the burgeoning markets of China, Taiwan, and South Korea are most exposed to a drop in traffic, observers say. At least a fifth of their air travel revenue comes from business with the country, said the International Air Transport Association (IATA).

The travel and hospitality industry in the Pacific, including Hawaii, is the latest victim of the ongoing disaster in Japan, reported CNN

Hawaii's Governor Neil Abercrombie said that the loss from the expected downfall in tourism from Japan will be tens of millions of dollars. Japanese tourists are the third largest group of arrivals to Hawaii, just after the US West Coast and US East Coast.

Starwood Hotels and Resorts expects April bookings for Waikiki to drop by 25 to 30 percent, Keith Vieira, senior vice president and director of operations for the chain's Hawaii and French Polynesia locations, told the Star-Advertiser.

Guam, whose tourism relies in large part on visitors from Japan, also has been affected, according to Pacific Daily News.

Thailand is also a victim. The Thai travel industry faces a "serious negative impact from the tsunami in Japan," said the Thailand Business News. During the school break in March and April, many Japanese travel to Thailand. Japanese tourists number almost one million per year.

The Geneva-based IATA trade group said that because some Japanese refineries were damaged, prices for jet fuel could rise. The country produces 3 to 4 percent of global jet fuel supplies, part of that exported in Asia.

Future travel investment may also be cut back. Surin Pitsuwan, secretary general of Asean, said the earthquake in Japan would affect investment in Thailand and Asean as Japan had previously been planning foreign investment because of the strength of the yen, said AP.

Airlines had planned to increase US-Japan flying by 10.2 percent next month compared with April 2010, according to Barclays Capital. AMR Corp.'s American Airlines and Delta would have the biggest percentage increases. Both airlines just started flights to Tokyo Haneda airport earlier this year. (*Travel Mole, March 22*)

Big Changes Urged for US Airline Security System

A Blue Ribbon panel that studied the question of whether the US's airline security system is the most cost effective and efficient answered no, saying: "The country that put a man on the moon, invented the Internet and creates daily innovations in manufacturing can and must do better."

The panel was headed by Tom Ridge, former secretary of the Department of Homeland Security. America's current system discourages people from flying, the study said.

The report, called "A Better Way: Building a World Class System of Aviation Security," was prepared under the auspices of the US Travel Association. Its findings were endorsed by the American Society of Travel Agents (ASTA).

One of the panel's most far-reaching recommendations is a revival of the "Trusted Traveler" program where passengers would voluntarily give up most personal information in return for an easier and faster screening process. These passengers would only have to pass through an explosives detection machine after using a biometric kiosk to verify their identity. The result would be they would not have to take off any clothing, empty their pockets, or kick off their shoes. Any carry-on baggage, however, would receive explosives' scanning.

A more comprehensive alternative to the current system should include more effective methods of deterring terrorists based on risk assessment. The report also called for a more effective use of resources.

A new system "will require the active participation of, and possible sacrifices by Airlines, Airports, the broader travel industry, the traveling public, federal agencies; and Congress."

The report was particularly critical of the US Congress for constantly changing Homeland Security rules.

"TSA and its Transportation Security Officers (TSOs) often bear unjustified public criticism for simply carrying out the ever-changing policies set by Congress and the Administration," the report said. (*Travel Mole, March 22*)

STR: US Hotel Results for February 2011

The U.S. hotel industry posted increases in all three key performance measurements during February 2011, according to data from STR.

In year-over-year measurements, the industry's occupancy was up 5.2 percent to 55.7 percent. Average daily rate ended the month with a 2.5-percent increase to US\$98.95. Revenue per available room for the month rose 7.9 percent to finish at US\$55.15.

Among the Top 25 Markets, Norfolk-Virginia Beach, Virginia, achieved the largest occupancy increase, rising 13.8 percent to 45.6 percent, followed by Detroit, Michigan (+13.6 percent to 54.8 percent), and Orlando, Florida (+12.3 percent to 73.2 percent). Two markets posted occupancy decreases: New Orleans, Louisiana (-5.6 percent to 67.2 percent), and New York, New York (-3.6 percent to 67.9 percent).

Dallas, Texas, which hosted Super Bowl XLV on 6 February 2011, experienced the largest increases in ADR (+22.7 percent to US\$107.72) and RevPAR (+35.8 percent to US\$67.09).

Three markets, excluding Dallas, reported double-digit ADR increases: San Francisco/San Mateo, California (+15.3 percent to US\$144.88); Los Angeles-Long Beach, California (+14.4 percent to US\$128.51); and Oahu Island, Hawaii (+11.6 percent to US\$159.12). Miami-Hialeah, Florida, fell 8.5 percent to US\$183.43.

Four markets, other than Dallas, achieved RevPAR increases of more than 20 percent: Los Angeles-Long Beach (+26.1 percent to US\$91.18); San Francisco/San Mateo (+25.2 percent to US\$102.53); Orlando (+21.0 percent to US\$76.31); and Oahu Island (+20.1 percent to US\$137.97). Three markets reported RevPAR decreases: New Orleans (-5.2 percent to US\$86.18); Miami-Hialeah, Florida (-4.6 percent to US\$150.65); and New York, New York (-1.3 percent to US\$128.23). View U.S. hotel review for February. (HNN Newswire, March 22)

STR: U.S. ADR on the rise

The U.S. hotel industry reported an average daily rate increase of 3.7% during the week of 13-19 March 2011, according to data from STR.

The industry's ADR rose to US\$102.23. This was the fifth consecutive week the industry reported an ADR increase of more than 3%.

"The industry's performance seems to be strengthening after Valentine's Day and heading into Spring Break season," said Steve Hood, VP of research at STR. "Last week was the fifth straight

week with ADR increases in the 3% range. It was also the first full week since November with a running 28-day revenue per available room percent change in the double digits."

Overall, the U.S. hotel industry's occupancy increased 5.1% to 64.6% and its RevPAR finished the week up 9.0% to US\$66.01.

Among the chain-scale segments, the independent segment reported the largest occupancy increase, rising 6.5% to 62.1%, followed by the economy segment with a 5.8% increase to 56.6%.

The luxury segment achieved the largest ADR increase, rising 8.1% to US\$265.53.

Two segments experienced double-digit RevPAR increases: the luxury segment (+13.5% to US\$201.06) and the independent segment (+10.9% to US\$60.93).

Among the top 25 markets, Norfolk-Virginia Beach, Virginia, achieved the largest occupancy increase, rising 12.5% to 52.1%, followed by Tampa-St. Petersburg, Florida (+12.4% to 88.9%). New York, New York, reported the largest occupancy decrease, falling 5.3% to 83.6%.

Two markets posted double-digit ADR increases: San Francisco/San Mateo, California (+19.6% t to US\$144.70), and Miami-Hialeah (+12.0% to US\$191.75). Atlanta, Georgia, fell 5.8% in ADR to US\$88.68, reporting the largest decrease in that metric, followed by Denver, Colorado, with a 3.4% decrease to US\$92.12.

Three markets experienced RevPAR increases of 20% or more: San Francisco/San Mateo (+32.5% to US\$112.54); Miami-Hialeah, Florida (+25.7% to US\$171.98); and Tampa-St. Petersburg (+20.0% to US\$104.13). Chicago, Illinois, dropped 4.1% in RevPAR to US\$61.83, reporting the only decrease in that metric. (HNN Newswire, March 24)

Travelers Now Prefer Trains over Planes

As air travel has become increasingly frustrating and tedious, a new poll shows that an amazing 70 percent would choose trains over planes if the option existed. Another 90 percent say they would like rail options displayed along flights when travelers are searching.

The poll was by SilverRail Technologies.

"This eye-opening poll tells us that the public is eager to make the switch to high-speed rail travel, and the significant investments being made in high speed rail will clearly enable this," says SilverRail CEO and co-founder of SilverRail Technologies, Aaron Gowell. He added:

"Our goal is to give consumers more choice by providing the technology that enables travel websites to sell high-speed rail alongside air, making train travel anywhere in the world as easy or easier, to book as air travel."

A press release points out that high-speed rail is "enormously popular" in Europe and Asia and that the Obama Administration has proposed US\$53 billion in new investments." The site says the study shows high-speed rail could replace flying on short trip routes.

The poll concluded that time, cost and comfort are the three key factors considered by consumers when booking travel, and flying is coming in second increasingly often.

The poll found that waiting in line was the No. 1 travel hassle.

SilverRail has built the first global distribution platform specializing in passenger rail, allowing rail operators and travel sellers to easily connect with each other. Their platform aggregates global rail content into a single, unified system through direct supplier connections, standardizing the search, booking, and fulfillment processes, according to the company. (*Travel Mole, March 24*)

Calendar of Events

Visit <u>www.ArizonaGuide.com</u> to find information on all the exciting <u>events</u>, <u>festivals and activities</u> held throughout the Grand Canyon State!

Connect with the Arizona Office of Tourism!

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